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SUMMARY OF PROCEEDINGS

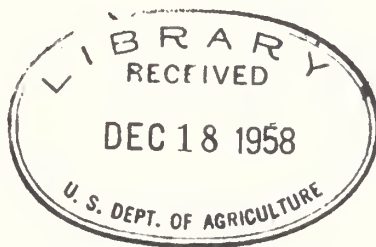
REGIONAL MARKET DEVELOPMENT CONFERENCE

ROME, ITALY, OCTOBER 25-31, 1957

A regional market development conference was held by the Foreign Agricultural Service at the American Embassy in Rome, October 25-31, 1957.

The Honorable James D. Zellerbach, U.S. Ambassador to Italy welcomed the group and expressed his pleasure in having the conference in Rome. He emphasized his interest and desire to contribute to the success of the conference and to help promote the interests of American agriculture in support of over-all U.S. policies.

The conference was attended by Agricultural Attaches from Europe, Canada, the Near East and Africa; Congressmen; representatives of trade organizations; and officials of various U.S. Government Agencies. The Conference agenda and a roster of participants will be found in the appendix.



Friday, October 25

Conference Objectives: (Mr. Gwynn Garnett, Administrator, FAS, USDA)

Mr. Garnett stated that the objectives of the conference should be simple and direct, focussing on the question "How can we use to best advantage our time, initiative and the resources available to expand markets for U.S. farm products?" More specifically these include:

- (a) To place primary effort upon ways and means of expanding the commercial export market through normal trade channels.
- (b) To more clearly define the role of FAS and the Agricultural Attaches in market promotion and development.
- (c) To explore the resources that can be made available for assistance in market development undertakings.
- (d) To clarify and encourage FAS cooperative working relationships with Trade and Farm Organizations, and with other governmental and private agencies concerned with the promotion of U.S. foreign trade policies and programs.
- (e) To provide opportunity for an exchange of views and experiences of mutual interest on problems and techniques of representing U.S. agricultural interests abroad.
- (f) To refine administrative and organizational procedures for improving the effectiveness of the Attache service.

FAS Responsibilities in the current agricultural situation: (Mr. Garnett)

In reviewing the U.S. agricultural situation, Mr. Garnett pointed out that as a consequence of the dramatic outburst of technological advance in agriculture, production and demand remain in a state of unbalance even after 12 years of effort since the war to bring about a higher degree of equilibrium. Last year, one acre out of every 5 of U.S. cropland produced products for the export market, i.e. roughly 20% of U.S. agricultural production moved into export markets, - an all time high export record amounting to \$4.7 billion. This is tremendous. All of us who contributed to this in some way can well take pride in this accomplishment. I know that scores of the individual transactions making up this total were made possible through the efforts of individual agricultural attaches. However, this is not enough; much more remains to be done. The burden of our surpluses now available, and which will continue to be available, underscores the urgency in all of our activities in moving these products into the foreign markets.

This is our job. It is a tough job but the tide of world development is on our side. In virtually every country there is an upsurge

toward further economic and industrial development with the goals of greater income and stronger purchasing power for more and more people. The desire to upgrade diets, particularly through increased protein consumption is an important objective in developmental programs of most countries. In a broad sense, the products that the U.S. has to fulfill these world wide needs are and will continue to be in abundant supply. The quality is good. We have great variety. The prices are right. We have valuable resources in the American private trade to seek out and develop market outlets. We in FAS have programs and agreements for market expansion. We, i.e. the people of the U.S. are contributing in an enormous manner to foreign purchasing power through investments, transfers, loans and the like, reported to be upwards of \$27 billion per year.

I am disturbed by the feeling expressed by some people in the foreign service that the U.S. is a restricted market, that U.S. agricultural markets are closed, that the U.S. needs to import more. We should get the facts straight, - that the U.S. is the greatest import nation in the world, and the second largest importer of agricultural products. We can take pride in representing the U.S. as a major contributor to world economic development.

We must move forward with increased effort to broaden and intensify our marketing work. As Agricultural Attaches you have tremendous resources and forces at your command. Make sure you use all of them. There is greater opportunity and export potential than our merchandising and techniques have been able to exploit thus far. The challenge to us is enormous.

U.S. Foreign Economic and Trade Policy: (Mr. T.C.M. Robinson, Acting Chief of the Commodity Division, Bureau of Economic Affairs, Department of State)

There are two primary objectives of our economic and trade policy, (1) maximum prosperity and, (2) maximum security. The latter requires balanced strong economies abroad.

Three principles were discussed:

1. Non discrimination. The United States wants to be treated by other countries exactly as all other countries are treated. In turn we try to treat all other countries exactly alike.
2. Stability of policy. The United States endeavors to avoid abrupt changes in policies which may upset trade.
3. Avoidance of dumping.

The major programs in which the United States is engaged in implementing our policy include:

1. Title I PL-480. This program should not be used if it displaces dollar sales which would otherwise take place. It should not open up markets which would cease to exist upon termination of the program. It should not be of such size that it would depress world prices or adversely affect patterns of world trade.
2. Title II. This program is used only to relieve distress following catastrophies.
3. Title III. The barter program has created some problems but steps have been taken to correct unfavorable results.
4. Section 402 sales by ICA. In general sales under this program were made to aid recipient countries which probably would not have made commercial purchases in the absence of such sales.
5. EXIMBANK loans. Loans under this program are handled on a regular banking basis.

The discussion which took place following Mr. Robinson's talk centered mainly around the effect of our programs in Canada and Italy. Canada has charged the U.S. with following dumping practices and has been very unhappy with a triangular trade under which Switzerland obtained wheat which was paid for with industrial goods going to Spain. It was pointed out, however, that during the past year Switzerland took more than twice her normal wheat imports from Canada.

With respect to the current year's sale of cotton to Italy under the PL-480 program, several persons from the Embassy pointed out that the reduction in the amount of cotton available would have a serious effect on the Italian economy. Mr. Robinson stated that if sales are made for local currency in a liberalized market it will be difficult to turn down other countries who can afford to buy for dollars when they ask for a 480 agreement. The reply to this was to the effect that it would have been impossible to get dollar liberalization with respect to cotton had it not been for at least an implied promise that Italy could still get cotton under future 480 programs.

The Responsibilities of the Agricultural Attache in "Market Development, Reporting and Representation." (Mr. Robert Tetro, Assistant Administrator, Agricultural Attaches, FAS)

Mr. Tetro outlined the responsibilities of the Agricultural Attache under three major categories:

1. Reporting work on Agricultural Intelligence:

Reporting, and the thinking and effort going into reporting, is basic to our overseas and Washington jobs. It is the stuff of which FAS is made. "Report all significant developments affecting the

production, use and trade in farm products." When by his travel, his study, his contacts, the attache is able to do a complete job of reporting, he is then able to perform effectively the other tasks before him. The complete job of reporting goes beyond the figures in our tables; interpretation and critical analysis of economic factors and implications revealed by the statistics plus observation and judgment by the attache are necessary to point up the "significant developments."

2. Market Development:

A major purpose of our current effort is market development. Reporting is basic to market development. Without an understanding of import needs of the country, no effective program can be devised for selling or developing markets for U.S. farm products. FAS and Agricultural Attaches have always been concerned with discovering and reporting opportunities for the sale of agricultural products abroad, with removing governmental obstacles to trade, with helping businessmen to make contacts and sales abroad; also the function of discovering, appraising and reporting on the competitive situation in foreign markets for U.S. agricultural products. These activities have recently been expanded with increasing emphasis on market development which has been of paramount importance to FAS this past year and some striking results have been achieved.

3. Representation:

Unless the representation function is well done, the first two do not work very well. Representation should not be confused with the meals, parties, travel and talk which are its outward manifestations. The shell is no good if the function is not achieved of "winning information and influencing results." Our effectiveness cannot be measured by the money we spend, nor by the letters other people write about us. It is a total of more than that and its best index is our own feeling about how we are doing on this 24-hour job. Our maximum effort can only be achieved in a harmonious relationship of give and take with foreign people and with other elements of the U.S. government overseas. Our relationships with State personnel are a complex of law, regulation and tradition. Like other attaches, we are tied to the Ambassador or Consul General who represents the highest echelon of government administration. Basically, we have a direct line relationship with the Ambassador and coordinate lines to other elements of the Embassy. Close coordination with the economic unit is essential and we often are major contributors of information for economic reporting. We join with other Embassy units in special reports as may be desired.

Relationships with ICA, USIA and other agencies who also represent U.S. interests are of a cooperative nature and will be elaborated further in subsequent sessions of this conference.

Our primary mission is to help U.S. farmers. This does not mean that at your post you can or should insulate yourself against other activities. You can play a valuable role in an advisory capacity from which you can express your views as to the long-term interest of the U.S. and U.S. agriculture.

Management Policies and Problems: (Mrs. W. A. Minor, Assistant Administrator, Management, FAS)

Mr. Minor referred to Public Law 690 and the agreement with the Department of State and expressed the feeling that things were working out extremely well. In this connection he paid tribute to the field staff for their patience and support in solving problems as they arose. He then referred to some of the more important policies and problems briefly summarized below.

Rotation Systems: FAS policy is to rotate personnel between the field and the Washington office. A committee has been set up in FAS for the purpose of fitting people who are returning from the field into positions where they can be of greatest service. This is working out quite well although grades and compliance with Civil Service requirements do present some problems. Legislation is needed to permit the detail of field personnel to positions in Washington.

Competitive Status: The Washington office long ago completed an announcement for a Civil Service examination and prepared basic rating schedules for use of the Commission. It is hoped that field personnel will soon be integrated into the Civil Service System.

Incentive Awards: There are two phases of the incentive awards program: (1) Honor awards and, (2) cash awards. Both Americans and local nationals eligible for these awards. Nominations for honor awards will be received up through December 15. Attaches are urged to make nominations in recognition of those persons who have rendered outstanding service.

Junior Development Program: Under this program FAS recruits promising young men for training for positions in both Washington and in the field. We now have several men serving as assistant attaches who received their training under this program.

Home Leave: It is FAS policy to grant home leave as soon as possible after an employee has completed two years service abroad. Home leaves are costly and this year, out of necessity, we have had to ask some of our personnel to delay their home leave temporarily.

Medical Benefits: The Congress has passed legislation providing medical benefits to dependents of persons in the Foreign Service. However, no funds were made available to implement the program.

Group Hospitalization: For those of you who are members of Group Hospitalization it is suggested that if at all possible you arrange to pay your dues on a semi-annual basis: July-December, January-June. By doing so you will greatly simplify our work and lessen the possibility of a lapse in your membership due to delay in receipt of dues.

United Givers Fund: This is the one major drive for funds for charitable organizations. Information on this has been sent to each post and you can contribute if you so desire.

Security Regulations: Attaches are urged to be extremely security conscious. If your arrangements do not provide a maximum of security you should take steps immediately to correct the situation.

FAS Publications: Every effort is being made to improve FAS publications such as "Foreign Agriculture." Attaches should use every opportunity to contribute brief, timely and interesting material to be used in this publication. Each employee abroad is looked upon as a field editor for "Foreign Agriculture."

Financial Situation: FAS finds itself in an extremely tight financial position this fiscal year. This is due to a number of factors including, (1) overlap and home leave when changing attache assignments, (2) heavy expenses in connection with transfers, home leaves, etc., (3) increasing administrative support costs, (4) rising salaries of local employees at virtually all posts, (5) larger families with consequent higher costs for travel, allowances, etc. and, (6) higher housing costs.

This financial situation has necessitated the closing of four posts, some deferments in granting home leaves, drastic curtailment of travel requiring dollars, some reduction in personnel and deferment in purchasing equipment.

Inventory: Office furniture is the property of the Department of State. The Attache is not required to inventory this property since it will appear in State's inventory. The Attache should, however, inventory automotive equipment, cameras, etc. FAS owns household furniture in some cases.

Cables and Operations memos: Use the mails wherever possible in place of cables. Operations memos should be used more in place of letters since they provide more copies and are thus distributed to several interested persons.

Summary of Roundtable Discussion on Operational, Administrative and Reporting Problems:

The roundtable discussions on Friday afternoon and Saturday morning covered a wide range of operational, administrative and procedural questions raised by the Attaches concerning various aspects of their activities not fully covered in the preceding speeches. Some of the pertinent points may be summarized as follows:

1. Trade complaints on quality or condition of U. S. products arriving in foreign markets--Attaches should show interest and may examine shipments, but should not take responsibility for making investigation or get into position of being a legal witness; official investigation should be made by a responsible agency; should report situation to FAS or appropriate trade association.

2. Briefing of Market Development Cooperators -- should be done in Washington and at post, to provide adequate orientation on overall and local administrative and operating policies.

3. Services and facilities expected by cooperators at attache posts -- refer to terms of agreement and question FAS/W on any unclear elements.

4. Help to U. S. exporters visiting attache posts -- should provide unclassified information as available on production, supplies prices, etc.; avoid discrimination in arranging contacts; indicate the route to be taken; avoid doing leg work or acting as agent.

5. Trade development opportunities -- should be pin pointed by commodities by Attache, Embassy and FAS preceding approval of projects; Embassy agreement that project is consistent with U. S. policy; consider criteria of comparative prices, consumer demand, consumer preference; market survey may be necessary before market promotion; look to long range possibilities as well as short run.

6. FAS marketing and technical specialists -- should be fully briefed before visits; come less often and stay longer; send out proposed program and objectives in advance; should provide technical help to Attaches.

7. Reporting -- should include not only what happened, but why and what is likely to happen, in near future and long range; timeliness is very important, an incomplete report on time is more useful than more complete one if too late; end-user evaluations very useful if contain critical analysis and suggestions for improving reports; new end-user appraisal forms being adopted; review of reporting manual suggested by Attaches; circulation of an outstanding report as example was suggested by some Attaches; use regular reporting form for all economic and agricultural information to get proper attention and distribution; information is our most important commodity.

8. Employee annual performance rating procedures -- are being put into effect; will be based not only on reporting, but also on all aspects of attache functions and activities.

9. Incentive awards -- FAS wants to make fullest possible use of incentive awards program for field employees, including locals, where actual accomplishments warrant; based on tangible and intangible benefits; Attaches urged review FAS Instruction No. 51, and submit nominations as appropriate.

Saturday, October 26

Public Relations: (Mr. Alfred V. Boerner, PAO, Italy, and Mr. Gwynn Garnett, Administrator, FAS)

The cooperative working relationships between USIS and FAS are designed to explain and interpret U. S. agricultural policies and programs in foreign countries. Mr. Boerner discussed what USIS can and can't do in this field. He pointed out that the people in USIS are information specialists but are not not qualified to judge technical agricultural information. They, therefore, must rely upon the assistance of the Agricultural Attache in determining what information should be stressed. In this connection background information is important and should be provided on a regular basis to help explain present or anticipated policies and programs.

The Washington staff and Attaches were urged to be alert to the need for information which can be most effectively used abroad and to see to it that sufficient time is allowed to get it into circulations.

Mr. Garnett pointed out that the U. S. is the world's greatest exporter and, next to the United Kingdom, is the second greatest importer of farm products....which, in itself, makes the impact of American agriculture on world relations an important factor.

We are not only interested in selling U. S. farm products abroad nowbut we are going to be interested in selling our products abroad for a long time. Our public relations objectives are not unlike the P-R objectives of General Motors, DuPont, or other large U. S. companies. The P-R job we have is a big and important one of creating favorable buyer attitudes toward U. S. farm products.

We should work with USIS in every way possible to take the adverse spin off of any unfavorable reactions created by the tremendous agricultural operation of the U. S.

Agriculture is important in all countries. Agricultural Attaches have personal contacts that no other members of the Embassy have which can be made influential and to the benefit of both the U. S. and U. S. agriculture.

In creating a favorable climate for the continuous marketing of U. S. farm products several elements contribute both to the interest of American agriculture and to the U. S. as a whole: (1) American agriculture is the guarantor against hunger throughout the free world; (2) it is characterized by freedom, abundance, and profit; (3) U. S. farm products are top quality and are able to help provide a higher standard of living to peoples of the free world.

World agricultural trade, as well as that of the U. S., is expanding. All exporting countries are sharing in that expansion. Because of concessional sales to countries without foreign exchange to buy commercially, and donations to people without means, the U. S. share of the expanding international trade in farm products has increased from 16 to 23% of the total.

Section 22 is used, when necessary, only, to protect the operation of domestic farm programs. On such actions, examine the facts--what our decisions were and how they were taken in order to protect the interest of foreigners. This is something we should take pride, and not shame, in presenting to the world.

Foreign attitudes toward U. S. farm products are not likely to be better than other attitudes toward the U. S. We should use all means available to us to improve attitudes toward the U. S. as well as agriculture. All official and personal contacts, all media of information, all exchanges of persons, all acts of cooperation, should be attuned to this objective.

Monday, October 28

Welcome to Visitors: (Mr. Garnett)

Mr. Garnett welcomed the visitors to the conference and expressed the wish that they would participate fully in the discussions. He again stated the primary purpose of the conference was to promote expansion in markets abroad for U. S. farm products. The U. S. has large dependable supplies of good quality products which are competitively priced. We are moving large volumes of these products - last year's exports reached an all-time high. But, we must not be complacent or feel the job is done.

There are many favorable factors which should make possible further expansion in our exports: (1) living standards are rising in most countries; (2) demand for food is rising; (3) in many countries, foreign exchange reserves are up; (4) U. S. private trade is teamed up with Government to promote exports; (5) we have agricultural attaches in 51 posts abroad; (6) we have marketing specialists; (7) we have large amounts of local currency to employ in market development; and (8) we are geared-up to participate more effectively in international trade fairs.

Thus we have opportunities - we have resources. Let us work together in all parts of the world.

Country Reports (Attaches)

Each of the Attaches reported on "Market Opportunities, Limitations and Methods for Development" in their respective countries. These reports are included in the Appendix.

Summary Review and Comments (Mr. Garnett)

Mr. Garnett complimented the Attaches on their country reports and said they were a lesson in economic geography for many important parts of the world. The reports give a good picture of economic developments which are taking place in the various countries and the opportunities and problems we have in exploiting these markets. Attention was called to the contribution the U. S. had made to this economic development and our desire to see it maintained and expanded.

It was noted that several of the reports on European countries mentioned the restriction of imports of farm products as a means of raising farm income. Our position is exactly the opposite of this - we need to expand exports to help expand our farm income. We have made commendable progress in securing dollar liberalization but we need to redouble our efforts in this direction.

It likewise was noted that mention was made primarily of the major commodities such as wheat, cotton and tobacco. U. S. agriculture has great flexibility and can supply a vast variety of products and we need to exploit the total market. As to price, U. S. products are usually competitive and for such products as cotton and soybeans we set the price. We should avoid giving any impression that prices will be lower.

Mr. Garnett cited a number of examples of activities in market promotion which might have significance for other countries. These included the development of markets for variety meats and poultry in The Netherlands, poultry sales in Switzerland, reduction in the duty on U. S. cotton moving into Italy, trade analysis work in Belgium and the increased sale of food through supermarkets in a number of countries.

Tuesday, October 29

Expansion of Commercial Markets

The discussion of problems, opportunities and methods for developing commercial markets abroad was led by representatives of trade groups attending the conference.

Wheat: U. S. has close to a billion bushels of wheat we would like to move. All different qualities available but foreign buyers often complain they cannot get qualities they want. Need to get access to the market.

U. S. exporters operate under U. S. grain standards under which buyer knows exactly what he is going to get. Buyers well informed now about U. S. standards. Have had very few complaints in past year. Some wheat is old. Now have no burdensome supplies of soft wheat but have large supplies of hard red winter wheat. Spring wheat not strictly in surplus because it has a higher subsidy than hard winter.

Have to consider Canadian wheat. Any importing country that needs strong wheat will get it from Canada. U. S. trade supplying a medium protein wheat to many countries.

There was some question about Belgium and Holland buying Canadian wheat, but this may be due to preference of millers and, therefore, not represent discrimination against U. S. wheat.

When countries such as Argentina and France have wheat to sell they are going to put prices under ours so their wheat will move and we would only lower prices if we increased subsidy to meet such competition.

Italy has found they can use hard winter to make pasta. This raised question of how to show millers how to use different wheat for other purposes.

Industry representative felt millers quick to adapt themselves to changes and that no efforts needed to get them to make adaptations.

It was pointed out that we have much better wheat than what importers are now getting but better qualities of U. S. wheat sell at prices higher than Manitoba.

Canadians follow the practice of bringing in millers and government officials from importing countries to convince them that Manitoba is what they should get and that it is the best buy.

In reply to this, it was stated that U. S. growers becoming increasingly interested in promoting sales of wheat. Pacific Northwest promotional efforts credited with moving out white wheat so no surplus now exists and prices are now higher at Portland, Oregon, in relation to other markets. Nebraska and Kansas now have wheat commissions and intend to do something about promoting export sales.

Discussion brought out the fact that many countries have found that hard red winter wheat is highly satisfactory for blending with soft wheat. In other countries the impression is prevalent that only Manitoba is entirely suitable for such purposes. It was suggested that one type of market development might be to bring a recognized cereal chemist or baking technologist from the U. S. to help convince buyers that hard winter can be used. Taking European officials and millers to the Hard Winter Wheat States might also be helpful as has already been found from recent experience in Italy and Greece.

Flour:

The U. S. Milling industry buys 500 million bushels of U. S. wheat every year and pick and choose the kinds they need. How to guarantee to importers they will get the kind of wheat they want for specialized purposes year after year presents a problem. Wheat flour which can be manufactured to meet desired specifications of a particular market can help meet this situation.

We have a problem of getting access to European markets for U. S. flour. Almost every country of Europe controls imports of flour. It was felt Attaches should try to get countries to modify such restrictions. Best market for U. S. wheat farmer is the U. S. miller and export sales of U. S. flour. Stability in flour movement is very important to U. S. Farmer.

Germany is one example of a country that has no scarcity of foreign exchange and should liberalize restrictions on flour imports.

Booklet on flour sent to all posts. Additional copies available. Translated in Thai and Japanese. Now being printed in Spanish, Portuguese and German. This publication can be prepared in Italian, Arabic and any other language where it will serve a useful purpose.

Reference was also made to educational material available from Wheat Flour Institute.

Corn and Feed Grains:

Three hundred fifty million bushels of feed grains (corn equivalent) were exported last year. The United States exports 50 percent of the

feed grains going into the world trade. There is and will probably continue to be surplus problems with respect to feed grains. On the plus side the feed grains are good cheap products and offer promise of a very expansive market. In England the total import of feed grains has been going down recently because she is shifting to a grass culture. However, the U. S. share of this total market has increased from 25 percent in 1950 to 65 percent in 1956. The U. S. increase is primarily because the British Government has as a policy made exchange available for grain purchase. France is shifting to a grass culture which cuts into the market. Germany is controlling the feed grains industry which makes expansion difficult as long as this control continues.

The Trade representative (Exports) stated that the problems of merchandizing feed grains were made unnecessarily difficult by CCC's sale policies i. e. uncertainty of prices cause dealer to operate on a hand to mouth basis and the failure to recognize in the programs that all of the feed grains compete with each other. It was suggested that attaches be furnished more specific information on proper use of the feed grains in a feeding program and that the Attaches explore the possibility in PL 480 countries of making loans for feed mixing plants (Cooley amendment).

Soybeans:

Soybeans have become one of the major cash farm commodities in the United States. The 1957 production is estimated at 480 million bushels - about 7 percent higher than the record crop of the previous year. The increased production of soybeans since the end of World War II has resulted in the United States becoming an important supplier of this oilseed in world trade. Realizing that an expansion of consumption at home and in foreign markets was essential, if prices are to be maintained and/or increased, U. S. growers, processors and handlers set up in 1956 the Soybean Council of America to work cooperatively towards this end.

An important program of the Council's work in expanding foreign markets are the activities being conducted under contracts with the U. S. Department of Agriculture utilizing in part the foreign currencies that have become available from the sale of surplus agricultural commodities under Title I, Public Law 480 for market development. Work is already underway in Spain, Italy, and Japan. The need for and desirability of undertaking market development projects in other European countries are being explored.

A Director for Europe has been appointed and an office has been established in Rome to handle the soybean promotion work of the Council.

An office has also been set up in Madrid. In Japan, the market development work of the Council is being conducted by the Japanese-American Soybean Institute. The Council, and Japanese trade groups, banded together to form this organization in early 1956. Because of complaints from the Japanese trade as to the quality of beans shipped to that country, one of the first tasks undertaken by the Institute was to check shipments on arrival. Another important activity of the Institute in Japan is research being conducted by its staff on various soybean food products manufactured from soybeans. Results of these studies should point the way to improvements in trade between Japanese importers and U. S. exporters of beans.

Representatives of the Soybean Council of America have been in attendance at U. S. Department of Agriculture trade fairs (Barcelona, Tokyo, Cologne, Salonika, Verona, and Palermo) where soybeans and soybean products have been exhibited. Participation in these fairs has enabled the Council representatives to discuss with the trade in these countries the various soybean products including oil, protein feed, soybean flour, and other products. Visitors to some of these fairs have been given samples of soybean products. At Barcelona, potato-chips fried in soybean oil; at Cologne, bread made in part from soybean flour, etc.

The Council is looking forward to the time when promotion overseas will be financed entirely by its membership which embraces all segments of the industry. The Council also wishes to work closely with other U. S. trade groups who are promoting increased foreign trade in U. S. agricultural products.

Cotton:

The Cotton Council International, founded in 1938, is dedicated to the objective of increasing cotton consumption throughout the world by means of market research and promotion. Securing adequate funds to operate outside the U. S. was a problem until PL 480 supplied a major assistance. In 1955, service contract with the USDA was signed for the purpose of surveying cotton markets, designating cooperators, and supervising such programs. It was reported that the program is using \$3,000,000 per year for cotton promotion in France, Austria, Switzerland, Germany, Italy, France, Holland, Belgium and Spain, and that Great Britain may be included soon. It was also reported that private industry supplies two dollars for every one dollar contributed by USDA.

Rate of cotton consumption per capita in the world is $6\frac{1}{2}$ pounds, in the U. S. $26\frac{1}{2}$ pounds, but in Europe it is only 10 pounds. Increasing consumption only 2 pounds per person would use an additional 10 million bales. Europe alone would require an additional 1.6 million bales.

Programs to increase European consumption are stressing fashion promotion, consumer projects, and manufacturers - retailers campaigns. Various methods in use include news releases, brochures, posters, and other means such as fashion magazines in France, Fashion Bulletins in Germany, Sales Planner in Belgium, Cotton Cortest in Switzerland and press sheets in Spain.

While accomplishments are difficult to assess, there has been an estimated consumption expansion of 37 percent in Belgium, and 20 percent in Japan. It was stressed that promotion work must continue on a permanent basis even if PL 480 should cease. It is desirable to tie the program into private producers' financing.

In reply to a question whether the Council is operating in all countries where money is available, it was said that it is not because of staff shortages. Concerning the question that perhaps too much promotional effort is directed at moving high priced cotton items which have limited appeal to the masses, it was explained that, generally speaking, low priced items sell themselves and that salesmanship applied to the top items tends to set patterns and usually results in improving all sales; that the story is getting to the masses of consumers of lower priced goods through various advertising media.

The "Maid of Cotton" program was reported to have paid big dividends. For example, at an expense of \$30,000, it has developed free publicity and editorial space estimated to be worth \$497,000.

Criticisms concerning the condition of U. S. cotton upon arrival in certain countries, particularly as to poor wrapping materials, were noted. The attaches were informed that better packaging has been under study for the past three or four years and that efforts are being made to improve U. S. packaging.

The administrator emphasized to the attaches the need for gaining access to new cotton markets; for working towards the removal of any discriminations which may exist; and for assisting in the cooperative program with the Cotton Council in every way possible.

Tobacco:

The U. S. tobacco export problem has been getting worse instead of better.

Practically all of the tobacco produced in the U. S. comes from small farms. Tobacco market promotion by Attaches is helpful to a group unable to promote their own product individually.

In tobacco sales promotion, price is important but there is no world price on tobacco because of extreme variations in quality. Some importers feel the U. S. is pricing itself out of market. They claim other tobacco is available at less cost than U. S. leaf. This can be countered by pointing out that U. S. leaf is of a higher quality - cheap prices mean cheap tobacco which do not result in quality cigarettes. The U. S. has the "Cadillac" of leaf tobaccos. When buyers feel prices of U. S. leaf are high, it may be due to artificially controlled prices on ~~retail~~ products which do not permit reasonable profit margins.

The U. S. faces competition from cheaper leaf, but foreign quality is improving and foreign prices are also rising, resulting in narrowing of range between U. S. and non-U. S. leaf prices.

The Burley situation is paradoxical. Domestic demand for heavier tobaccos has increased rapidly due to the increased demand for filter cigarettes. These grades have been important in export trade with some European countries.

U. S. Burley prices have increased sharply. Buyers in some European countries have been unable to compete with domestic manufacturers for burley output. Stocks in Europe are low.

The tobacco marketing outlook is not all black. Consumption in Europe is rising five percent annually.

Some buyers claim they are disturbed by 480 purchases of tobacco, because if blends are built up on basis of 480 tobacco which may not be available in following year, some very painful adjustments may have to be made. It was suggested that two or three year programs under 480 might serve tobacco producers better. It was pointed out that an 18-month supply of tobacco is normal - a year's supply is approaching danger point. Local currency sales of tobacco for more than one year at a time are difficult because of higher cost of storage charges.

Fifty percent of U. K. imports are now supplied by the Colonies and the U.K. is not likely to buy 100 percent U. S. tobacco even if dollars were freely available. A similar situation exists in Germany.

The bright spot in the tobacco picture is the relatively low per capita consumption in Europe. When compared with the United States, this can be increased but sales must be pushed aggressively. Also, U. S. supplies of burley and of flue-cured leaf desired in European markets will be available in larger quantities.

With reference to individual markets, it was pointed out that;

(1) the U. S. has lost one-half of its market in Belgium because we have not been competitive in the cheaper tobaccos.

(2) We have tended to price ourselves out of Norway, although volume is holding up. (U. S. suppliers should contact Norwegian importers more frequently.)

(3) U. S. exports of tobacco to Netherlands may suffer when "Common Market" proposals are implemented.

Fruits and Vegetables:

The discussion concerned mainly the processed fruit industry. The growth of the canned fruit industry was reviewed. Greater fruit production may be expected due to increase in plantings of peaches, pears, and apricots, which points up the continuing need for promoting export outlets. A review of market prospects in the U. K. and other European countries was made and comments indicated that a good potential demand existed but dollar shortages, and trade restrictions hamper market expansion. However, some progress is being made currently to enter new markets with Germany being a case in point. In countries with liberalized trade policies, high tariffs and high retail prices are dominant factors limiting more rapid expansion. A demand is developing in Northern Europe for fruit concentrates. A fundamental factor in building a stable fruit export market is the necessity for assuring an ample supply of good quality products at all times, rather than on an in and out basis. For the fresh fruit industry this presents a more difficult problem than in the case of processed fruits and fruit products.

In the area of relaxing restrictions, embargoes, and high tariffs for canned fruit, effort being directed under auspices of trade representatives from United States and foreign countries. It was pointed out that trade representatives in respective countries could play an important role in creating a favorable market climate. Experience to date encouraging participation calls for delicate and intelligent handling.

Discussion concerning criteria to be used in advertising fruit and fruit products in foreign markets emphasized the desirability of first getting the "border" open and then build up distribution through advertising programs predicated upon consumer preferences and estimates of market demand.

A phase of marketing development for canned fruit is underway whereby a recipe booklet will be distributed in various languages at retail level to consumers on how to use canned fruit.

To acquaint people in foreign markets with the types of fresh fruit available in U.S. an attractive booklet showing colored pictures of important varieties with descriptive material in four languages has been printed and is being distributed to foreign markets through the offices of the Agricultural Attache.

Poultry:

The American poultry industry produces the third largest cash income of all U. S. agricultural commodities. Annual income from poultry and eggs is about 4 billion dollars a year. The U. S. is now producing 1-1/2 billion broilers annually. A 3-pound bird is produced in 8 to 9 weeks with a 2.35 lb. feed conversion. Turkeys are now produced with a 3.2 to 3.5 feed conversion. Per capita poultry consumption in the United States is expected to reach 31 pounds in 1957 or double the quantity consumed in 1939.

The principal U. S. poultry trade associations have formed a committee to promote exports of poultry. This committee has negotiated market development projects with FAS for development of export markets particularly in Europe. Germany was the first country where such a project was launched. About 5 million pounds of U. S. poultry were sold in that market the first year the project was in operation. This market is expected to expand substantially because the quality of U. S. poultry is better and the price lower than can be obtained anywhere else. The U.S. poultry is marketed as a ready-to-cook product. This is a new product in Europe where only non-eviscerated poultry is produced. As a result of promotion activities, such as trade fairs, there has been widespread consumer acceptance of U. S. poultry. However, the size of ovens in Europe limits the size of turkeys which can be marketed to about 6 or 8 pounds.

Prospects are good for opening a market for poultry in the Netherlands, where the per capita consumption of poultry is less than 2 pounds annually. Negotiations to remove import restrictions are felt to be in the final stage.

A substantial quantity of U. S. poultry is also being marketed in Switzerland. It was felt this market is certain to expand as there is ready acceptance of this commodity by Swiss consumers.

Meat:

Livestock numbers and meat production in most of the Western European countries as well as the United Kingdom have increased during the postwar period and now exceed the prewar levels. Similarly, numbers and production have been increasing in the United States.

Because of the high standard of living and an increasing population the United States will continue to be a small net importer of red meats. Meat production in the U. S., however, is expected to continue at a high level because of the abundance of feed available to producers. This means the production of large quantities of variety meats, fat backs, lard and tallow, and cattle hide and calf skins which are dependent on foreign outlets.

The edible products in this group are highly nutritious, and relatively inexpensive, but the quantity produced greatly exceeds domestic requirements,

necessitating the finding of foreign market outlets. Also the prices of these by-products have decreased relative to live animal prices resulting in a greater spread between what the producer receives and the consumer pays for meat.

Progress in increasing foreign sales can be accomplished by (1) eliminating the use of live virus vaccines in vaccination of U. S. hogs; (2) improved grading, packaging and handling of variety meats for export; (3) greater efforts in merchandizing of quality lard and improved tallow handling methods; (4) improved hide removal, grading and handling; and (5) continued efforts towards elimination of all barriers affecting exports.

Because of economic development in many countries informal market surveys are suggested to ascertain possible outlets for by-products of the U. S. meat industry. It is also urgent that marketing specialists, trade representatives and Attaches be alert to market opportunities for these products. Since these products are competitive in price and the U. S. can provide a constant supply, emphasis should be put on quality required by the importing countries.

Dairy Products:

We have large supplies of milk powder. The people with low protein diets in the less developed areas of the world are greatly in need of this food. Ways and means for promoting the use of this excellent food must and can be developed. The experimental milk recombining plant in Bangkok was mentioned as a possible step in the right direction. This commercial plant, financed with funds from a variety of sources, has now been in operation over a year. It is introducing high quality fluid milk in an area where people are not accustomed to using this food.

Mention was also made of UNICEF plants constructed in a number of countries but some of these plants are not operating at capacity. Efforts should be made to have them running at an efficient operating capacity.

Powdered milk and anhydrous milk fat can be secured under the PL 480 program to help promote the increased consumption of milk and dairy products through the introduction of recombined milk and dairy products.

The comment was made that when we see the extent to which some soft drink products have been promoted throughout the world it is evident we have failed to fully exploit use of milk which is not only a good food but a wholesome drink.

Wednesday - October 30

The conference was honored by the presence of a delegation from the House Agricultural Committee on Wednesday, October 30. Mr. Garnett introduced and welcomed the Congressmen and invited them to participate in the discussions.

Summary of Remarks by Congressmen Poage and Hoeven:

Congressman Poage referred to the agricultural situation in the United States and the urgent need to find markets for more of our farm products. He recognized the problems involved and said the Congress had enacted PL 480 in order that people abroad could buy our products. PL 480, however, is only an emergency program designed to dispose of supplies rather than let them spoil. The Congressman expressed the hope that the time would soon come when our friends abroad would be able to sell us things we can use and thereby be in a position to use more of our products. He emphasized that trade had to be mutually advantageous and invited suggestions which might be useful to the Committee.

Congressman Hoeven pointed out it was becoming increasingly more difficult to agree upon a program for U. S. agriculture. Consumer groups feel the farmer is responsible for the high cost of food and industrial centers and consumer groups command a great deal of attention. He remarked that the Committee was interested in improving the surplus disposal program. He felt that a good job was being done and that we were making head-way.

Other Congressmen in attendance included:

Thomas G. Abernethy, Mississippi
Paul C. Jones, Missouri
Clifford G. McIntire, Maine

CCC Policies and Procedures (Mr. Harry I. Dunkleburger, Assistant to General Sales Manager, CSS, USDA)

The Commodity Credit Corporation is a federally chartered organization with a capital of one billion dollars and a borrowing authority of \$14.5 billion. Commodities acquired by CCC are merchandised by private trade. The CCC has a big job in inventory management and works closely with about 15 Federal agencies in developing policies.

During the period July 1953-June 1957 the CCC moved 4.7 billion dollars worth of commodities. Sixty-two percent of the proceeds have been from dollar sales and about 71¢ of each dollar cost is being recovered. CCC commodities are distributed through a large number of different agencies such as school lunch programs, Veteran's hospitals, PL 480 Titles I, II and III, and PL 402. The Corporation is authorized to extend credit up to three years. Wheat has not been sold on credit but if it is felt we may lose a market due to the lack of dollar credits, contact Washington. Likewise, if there appears

to be opportunities to move larger volumes of commodities by the extension of longer term credits, this should be called to the attention of the Corporation. The corn sale to Mexico was cited as an instance where five year credit was extended.

Barter Program (Mr. Otto Atzert, Deputy Director, Barter and Stockpiling Division, CSS, USDA)

The barter program is authorized by law. Its objective is the increased exports of agricultural commodities and a billion dollars worth of such commodities have been moved under the program through normal channels of trade. In return, the U/S. has acquired an equivalent amount of strategic and other materials for the National and supplemental stockpiles, and other Government recipients.

In the revised program barter sales can only be made when "additionality" is shown. This makes the future of the program uncertain. A way must be found to determine "additionality", i.e., a net increase in exports over usual cash marketings, and a conscientious effort is being made in that direction.

Public Law 480 (Mr. Garnett)

Public Law 480 is designed primarily to help market eight billion dollars worth of U. S. farm products held by CCC. There are three titles in the Act: (1) Title I provides for sales for local currency; (2) Title II provides for assistance in cases of disasters such as floods, earthquakes; etc.; and (3) Title III authorizes barter transactions. FAS is primarily responsible for implementing Title I.

Transactions under Title I could be expedited if only one man made the decisions. However, in order for the U. S. to receive the greatest possible benefit from the program and to protect the interests of other countries, it is coordinated as perhaps no other program has ever been coordinated.

In implementing PL 480 Title I, we should:

1. Use it as a last resort. It should not be used if there is any chance to sell for dollars or barter.
2. Make sure sales would be in addition to normal marketings. In this connection we won't accomplish anything if we put more cotton into Italy and it displaces Mexican cotton which then goes to Germany. We are interested in the total world trade.

The local currency generated under Title I must be put to the best possible use. In round figures one-quarter of this currency is for U.S. use by Embassies, other U. S. missions, etc. Thus, this one quarter represents a concrete return to the U. S. Other worthwhile uses include defense

support, agricultural market development, etc., in addition to the amounts loaned back to the participating country. We must do our best to see that the total usage of these currencies will be such as to improve the economy of the country and at the same time benefit the U. S. through both immediate return and future increases in trade.

Status Market Development Programs (Mr. Patrick O'Leary, Director, Foreign Trade Programs Division, FAS)

Cooley Amendment Loan Program

The Cooley Amendment to Title I of Public Law 480 (Section 104 (e)) provides that not more than 25 percent of the funds accruing under the program shall be made available to the Export-Import Bank for loans to private business firms operating in the recipient country. The Congressional intention, as evidenced by the Conference Report on the bill, is that the amount used for this purpose shall be 25 percent of the currencies accruing under each program unless there are compelling reasons for a lesser amount. Such loans may be made for the purpose of business development and trade expansion to U. S. firms and branches, subsidiaries, or affiliates of such firms, and may be made to U. S. or foreign firms for the purpose of establishing facilities for increasing the consumption and markets for U. S. agricultural commodities. Loans may not be made for the manufacture or production of any products to be exported to the U. S. in competition with products produced in the U. S. or for the manufacture or production of any commodity to be marketed in competition with U. S. agricultural commodities or products. Interest rates on the loans will be comparable to those prevailing in the recipient country. Other terms will be similar to the terms of the Export-Import Bank dollar loans.

Section 104 (a) Market Development Program

The market development program is no longer a small program. As of October 7, 1957, it had reached the equivalent of \$11.3 million in size. This includes approximately \$2.7 million contributed by cooperating trade groups and \$1.7 million for trade fairs.

The program is carried out primarily through contracts covering cooperative projects with U. S. trade associations and other trade groups. Market development projects may be suggested by any one. While the responsibility for the technical aspect of preparing project statements and project agreements rests with FAS, Washington, it is essential that everyone concerned with the program undertake careful and critical analysis of a continuing nature to assure that only projects which make sense from a marketing standpoint are initiated and that projects are not carried on beyond the time that useful results can be anticipated.

Development of Projects

Project proposals sometimes originate in the United States and sometimes in the field. In either case clearance and approval by the U. S. agricultural attache is necessary. Such clearance and approval should not be given by the attache unless he is satisfied that the proposed expenditure of funds is justified from a market development standpoint. If he feels that the project should be changed or that a preliminary survey to determine feasibility should be made he should so recommend to the appropriate FAS Division in Washington. Naturally, 100 percent success is not assured under such a program. Many projects do involve an element of risk that they may not contribute directly to increasing the exports of U. S. commodities. The possibility of favorable results may nevertheless justify going forward. The most important thing is that we know what we are doing - that we take into account all factors both pro and con and that the record show that this has been done. Operations Memorandum No. 7 provides that the attaches shall ascertain through discussion with appropriate Embassy officials that there is no objection to the project from the standpoint of foreign policy. He is also to ascertain whether the project may be objected to by the host country. There has been some misunderstanding on this matter. It is not necessary to get either the Embassy or the host Government to endorse the project. It is sufficient that they do not raise objection to it.

Carrying out Projects

In the implementation of projects there is one respect in which there is considerable room for improvement. This is in the briefing of cooperators. We are making a determined effort to schedule operations in such a way that there will be time for the cooperators to stop in Washington for a thorough briefing before they go abroad. If this is followed with a briefing session in the Embassy as soon as they arrive, many problems which now arise would be eliminated. A very important part of such briefing both in Washington and in the field has to do with fiscal procedures. This can be covered in general terms by our fiscal people in FAS, but the attache should always be sure that the cooperator understands the requirements which may be peculiar to that particular post.

Under the regulations governing this program, as set out in Operations Memorandum No. 7, the attache is the field representative of FAS under the market development project agreement. While it is not possible for him to give day-to-day supervision to project operations, he must provide guidance, coordination and sufficient inspection of project activities to assure compliance with the agreements and make it possible for him to give evaluations, upon which decisions regarding continuation, expansion or termination of the projects may be made.

Reports and Evaluation of Projects

In most cases, cooperators are required to submit periodic reports on the status of project operations to the agricultural attache. The attache is to evaluate the project based upon this report and his own observations and forward to FAS, Washington. In the event cooperator reports are not submitted, the attache should remind the cooperator that the report is due and should advise the appropriate FAS Division of the reason for the delay. There has been some slowness in getting some reports in and evaluating them. We hope in the next few months that this work can be brought up to date. This must be done if we are to have a solid basis for determining the feasibility of continuing existing projects or instituting new projects.

Trade Fairs

Just a few words about the trade fair aspect of the market development program. Participation in fairs is costly. We have appeared three times at some fairs, twice at others, and the question must be faced as to whether a continuation of the standard type of trade fair exhibit is justified from the cost standpoint. This matter is now being studied and we are giving some consideration to the possibility of switching to mobile exhibits which could be used not only at the big international trade fairs but also at national and local fairs and to a certain extent in support of market development projects. We would like very much for any of you who have any ideas or comments either pro or con on the advisability of mobile exhibits to send them to us.

European Common Market and Free Trade Area: (Dr. J. H. Richter, Chief, European Analysis Branch, Foreign Agricultural Service)

In opening the discussion on the European Common Market, Dr. Richter stated that under present provisions the Common Market may work to the disadvantage of American agriculture. Our position has been made known within the Councils of the U. S. Government. However, political considerations led to the policy decision that the United States would support the Common Market provided it would not increase the barriers toward the outside world beyond what is implied in the nature of the economic union and with due regard to a reasonably economical division of labor throughout the world.

The Administration's decision to support the Common Market requires, of course, that we loyally carry out that policy. However, we should be alert to developments and the effect they may have on U. S. agriculture. Much will depend on how the treaty provisions are carried out. Actual procedures under the scheme may allay our present fears; on the other hand, they may show the need for a modification in U. S. policy.

Discussion

Some Attaches from countries within the Common Market area felt that the plan would encourage production which would displace supplies from

outside countries. It was also felt there was a likelihood that overseas territories would find the Common Market so attractive that there would be a decline in their dollar-earning exports. Likewise, some outside countries are reported to be very concerned about possible increased production in the Common Market countries with a corresponding decline in imports.

CONFERENCE SUMMARY (Mr. Garnett)

The United States needs expanded market outlets for its farm products. Many countries need this food, cotton, and tobacco. Putting these two interests together, we are rendering a great service when we help move goods through the markets. The United States has set the pattern - we are the world's largest market and second largest importer of farm products. You can, therefore, talk trade with a great deal of confidence and good feeling.

To sell farm products we need to promote a good attitude toward the United States. We must show interest in the problems, progress and policies of every country. You should cultivate the highest thought leaders in government, in trade, etc. You have tremendous support in doing your job: in the Department of Agriculture, in the Congress, and in trade and farm organizations, which is enjoyed by no other agency overseas. Representing the United States is an honor and we feel second to the representatives of no other country.

With regard to reporting work, we realize this takes a lot of effort but we cannot overemphasize its importance. There is no other agency or government to which we can turn for world-wide agricultural intelligence so necessary in developing agricultural and trade policy. There is greater and greater demand for perfection in this field and we can no longer be satisfied with what has happened but we must know why and what is likely to happen.

In carrying out your assignments you have contact with many different agencies and departments within the Government of the country where you are stationed. We, therefore, must enlist the support of the Embassy team in the interests of American agriculture. You must be a full-fledged member of that team and as such make your full contribution.

Because of the position the U. S. holds in the world, we find we are subject to continuous criticism. You must be prepared to meet such criticism and fully explain the U. S. position. If an issue is made of any decision and you do not fully understand it, you should inquire. Every action receives a great deal of consideration and the interests of other countries are taken into account. In this connection, if it were not for these considerations and the restraint exercised our exports would almost surely crush our competitors. We should not make the mistake of agreeing with criticism of our position and policies. You are justified in representing the United States with dignity and confidence.

A P P E N D I X

SECTION I

CONFERENCE AGENDA

UNITED STATES DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service
AGENDA

MARKET DEVELOPMENT CONFERENCE - EUROPE, NEAR EAST, AFRICA

Rome, Italy - October 25 - 31, 1957

All sessions will be held at the American Embassy unless otherwise announced.

During the sessions on Friday, October 25, and Saturday forenoon, Government participants will discuss administrative and other internal market development operations. On Monday, Tuesday, and Wednesday, October 28-30, all sessions will be open and invited visitors will participate.

FRIDAY, October 25
(Closed Session)

FORENOON

Permanent Chairman: Gordon O. Fraser, Assistant Administrator, Market Development and Programs, FAS

9:00 - 9:15 Introductions . . . Chairman
9:15 - 9:30 Welcome . . . Hon. James D. Zellerbach, U. S. Ambassador
to Italy
9:30 - 10:15 Conference objectives and a report on the current situation
of U. S. agriculture . . . Gwynn Garnett, Administrator,
FAS
10:15 - 10:30 Recess
10:30 - 11:00 Discussion
11:00 - 11:30 U. S. Foreign Economic and Trade Policy . . . T. C.
M. Robinson, Acting Chief of the Commodity
Division, Bureau of Economic Affairs,
Department of State
11:30 - 12:00 Discussion

AFTERNOON

1:45 - 2:15 The Responsibilities of the Agricultural Attache in
Market Development, Reporting, and Representation . . .
Robert C. Tetro, Asst. Administrator, Attache Service
2:15 - 2:45 Management Policies and Problems . . . Art Minor,
Assistant Administrator, Management, FAS
2:45 - 3:00 Recess
3:00 - ---- Roundtable Discussion of:

1. Operational Problems

- a. Relations with FAS marketing specialists
- b. Relations and correspondence with private
U. S. Trade

- c. Relations with market development project
cooperators
- d. Relations with Embassy and other agencies --
ICA, USIA, FAO, etc.
- e. Visitors:
Trade, Congressional Groups, and
Farm Organization representatives

2. Administrative Problems

- a. Personnel Policies - S/E, 104(a)
- b. Travel and Representation
- c. Furniture and Equipment
- d. Administrative Support
- e. Handling 104(a) project funds

3. Attache Reporting Activities and Problems

- a. End-user evaluation and suggestions
- b. Field problems and suggestions

4. Attache Suggestions for Improvement of Washington
Back-stopping

SATURDAY, October 26
(Closed Session)

FORENOON

9:00 - 10:30 (Cont'd) Discussion of Operational & Administrative
Problems

10:30 - 10:45 Recess

10:45 - 11:45 Public Relations for American Agriculture:
You and USIA . . . Alfred V. Boerner, Public Affairs
Officer for Italy, USIA
FAS Responsibilities . . . Gwynn Garnett

11:45 - 12:00 Discussion

12:00 Adjourn until Monday, 9:00 a.m.

MONDAY, October 28
(Open Session)

FORENOON

9:00 - 9:15 Welcome to Visitors . . . Gwynn Garnett
9:15 - 12:00 Country Reports on "Market Opportunities, Limitations
and Methods for Development" . . . each Attache

(Timing of reports, discussions and recess at the discretion of chairman)

EUROPEAN AREA AND CANADA

Elmer A. Reese	- Denmark	Paul G. Minneman	- France
Harold C. Larsen	- Sweden	Irwin R. Hedges	- Switzerland
John I. Kross	- Belgium	Einar Jensen	- Austria
Robert H. Reed	- Netherlands	John S. Burgess	- Spain
Eric Englund	- England	Herbert K. Ferguson	- Portugal
Edwin R. Raymond	- Ireland	Clayton Whipple	- Italy
Fred J. Rossiter	- Canada	Edward J. Bell	- Greece
Phil S. Eckert	- Germany	Harold L. Koeller	- Yugoslavia

AFTERNOON

1:30 - 4:15 Continuation of country reports.

NEAR EAST/AFRICA AREA

Howard Akers	- Turkey	Ford Milan	- Liberia (W. Africa)
Wm. Gordon Loveless	- Iraq	Gordon Schlubatis	- Kenya (Br. E. Africa)
W. R. Hatch	- Iran	T. O. Engebretson	- S. Rhodesia (Federation, Nyassaland, Mozambique)
Frank W. Ehman	- Egypt	Dwight R. Bishop	- Belgian Congo (Angola, Fr. Eq. Africa, Cameroun)
Burton A. Baker	- Morocco		

4:15 - 4:45 Summary review and comments . . . Gwynn Garnett
4:45 - 5:00 Arranging for individual conferences

TUESDAY, October 29
(Open Session)

9:00 - 5:00 Expansion of Commercial Markets:

Discuss problems, opportunities, and methods for developing markets (including good and bad experiences) for each of the following commodity groups (private trade groups are invited to participate):

Wheat and flour	Tobacco
Corn and feed	Fruits and Vegetables
Soybeans	Poultry
Vegetable oils	Meat and dairy products
Cotton	

WEDNESDAY, October 30
(Open Session)

FORENOON

Special Government programs to relieve surplus accumulation and maintain and expand commercial markets for the future.

- 9:00 - 9:45 a. CCC Policies and Procedures, Export Sales and Barter
9:45 - 10:15 b. CCC and Export-Import Bank Credit Programs
10:15 - 10:30 c. Recess
10:30 - 12:00 d. Public Law 480 (including grants and donations)

AFTERNOON

- 1:30 - 1:45 Common Market, Free Trade Area and U. S. Trade . . .
J. H. Richter, Chief, European Analysis Branch,
Foreign Agricultural Analysis Division
1:45 - 2:30 Roundtable Discussion
2:30 - 2:45 Recess
2:45 - 3:30 Conference Summary . . . Gwynn Garnett
3:30 - ---- Individual Conferences

THURSDAY, October 31
(Closed Session)

- 9:00 - ---- Individual Conferences with Agricultural Attaches

A P P E N D I X

SECTION II

LIST OF PARTICIPANTS

APPENDIX

SECTION II

ROSTER OF PARTICIPANTS

U.S. EMBASSY, ROME, ITALY

Hon. James D. Zellerbach, Ambassador
Mr. Francis Deak, Counselor, Economic Affairs
Mr. Randall S. Williams, First Secretary
Miss Selma G. Freedman, Secretary
Mr. John F. L. Ghiardi, Treasury Attache
Mr. John M. Kennedy, First Secretary, Commerce

AGRICULTURAL ATTACHES

Mr. Howard Akers	Ankara, Turkey
Mr. Robert Anderson	London, England
Mr. Furton A. Baker	Rabat, Morocco
Mr. Edward J. Pell	Athens, Greece
Mr. Hayden Bennett	The Hague, Netherlands
Mr. Dwight R. Bishop	Leopoldville, Belgian Congo
Mr. John S. Burgess	Madrid, Spain
Mr. Phil S. Eckert	Ponn, Germany
Mr. William J. Edens	Djakarta, Indonesia
Mr. Frank W. Ehman	Cairo, Egypt
Mr. Tilmer O. Engebretson	Salisbury, Southern Rhodesia
Mr. Eric Englund	London, England
Mr. Herbert K. Ferguson	Lisbon, Portugal
Mr. William R. Hatch	Tehran, Iran
Mr. Irwin R. Hedges	Bern, Switzerland
Mr. Herbert J. Jenne	Frankfurt, Germany
Mr. Einar Jensen	Vienna, Austria
Mr. Harold L. Koeller	Belgrade, Yugoslavia
Mr. John I. Kross	Brussels, Belgium
Mr. Wm. Gordon Loveless	Baghdad, Iraq
Mr. Ford A. Milam	Monrovia, Liberia
Mr. Paul G. Minneman	Paris, France
Mr. Edwin R. Raymond	Dublin, Ireland
Mr. Robert H. Reed	The Hague, Netherlands
Mr. Elmer A. Reese	Copenhagen, Denmark
Mr. Fred J. Rossiter	Ottawa, Canada
Mr. Gordon R. Schlubatis	Nairobi, Kenya
Mr. Peter L. Slagsvold	Paris, France
Mr. Louis H. Smith	Pretoria, South Africa

CONGRESSMEN

Hon. William Robert Poage (D)	Waco, Texas (Eleventh District)
Hon. Charles B. Hoeven (R)	Alton, Iowa (Eighth District)
Hon. Thomas G. Abernethy (D)	Okolona, Mississippi (First District)
Hon. Paul C. Jones (D)	Kennett, Missouri (Tenth District)
Hon. Clifford Guy McIntire (R)	Perham, Maine (Third District)
Mr. John J. Heimbarger, Counsel for the House Committee on Agriculture, H.O.B.	

DEPARTMENT OF STATE - WASHINGTON, D.C.

Mr. T. C. M. Robinson, Acting Chief, Commodity Division, Bureau of Economic Affairs

Mr. L. Ingemann Highby, Commodity Division

TRADE ORGANIZATIONS

Mr. Raymond Steinbach	Cotton Council International
Mr. Gordon Boals	Millers' National Federation
Mr. C. H. Kreader	National Association Wheat Growers
Mr. Howard L. Roach	Soybean Council of America
Mr. Cliff D. Carpenter	Institute of American Poultry Industries, Chicago, Illinois
	West European Office, Zimmerweg 16, Frankfurt, W. Germany
Mr. Frank Elliott	Canners' League of California and U.S. National Fruit Export Council
Mr. Joseph O. Parker	Institute American Poultry Industries
Mr. Loren W. Johnson	North American Grain Export Association
Mr. J. Russell Ives	American Meat Institute
Mr. John J. Hamel, Jr.	National Renderers Association
Mr. George L. Prichard	National Soybean Processors Association
Mr. George M. Strayer	Soybean Council of America
Mr. Richard C. Travis	Burley Tobacco Association
Mr. Fred Marti	Soybean Council of America

U.S. DEPARTMENT OF AGRICULTURE OFFICIALS - WASHINGTON, D.C.

Mr. Otto Atzert	Deputy Director, Barter and Stockpiling Division, Commodity Stabilization Service
Mr. Dan E. Brady	Marketing Specialist, Livestock and Meat Products, FAS

U.S. DEPARTMENT OF AGRICULTURE OFFICIALS - WASHINGTON, D.C. - Continued

Mr. Wayne Bitting	Agricultural Economist, Marketing Research Division, AIS
Mr. Horace G. Bolster	European Area Officer, Agricultural Attaches FAS
Mr. Harry I. Dunkleberger	Assistant to General Sales Manager, Commodity Stabilization Service
Mr. Gwynn Garnett	Administrator, Foreign Agricultural Service
Mr. W. A. Minor	Assistant Administrator, Management, FAS
Mr. Robert C. Moncure	Agriculturist, Africa and Middle East Area, FAS
Mr. Patrick M. O'Leary	Director, Foreign Trade Programs Division FAS
Mr. John H. Richter	Chief, European Analysis Branch, FAS
Mr. Richard H. Roberts	Deputy Asst. Administrator, Market Development and Programs, FAS
Mr. Laurell L. Scranton	Near East and Africa Area Officer, Agricultural Attaches, FAS
Mr. Robert C. Tetro	Assistant Administrator, Agricultural Attaches, FAS

